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Approved For Release 2005/04/22 : CIA-RDP83B00100R000100020004-0
NFAC No. 0442-79

THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

25 January 1979

National Intelligence Officers

MEMORANDUM FOR: Director of Central Intelligence
25X1A FROM: [REDACTED]
National Intelligence Officer for China
SUBJECT: Meeting on Indochina-China-USSR

1. This book contains your briefing materials for the above meeting, as follows:

-- Agenda (Tab A)

-- Your talking points covering topics on which we have made an input: Intelligence Summary of Border Tensions; Implications of a Chinese attack on Vietnam for the Deng Xiaoping and Kriangsak visits. (Tab B)

-- Graphics and tables backing up the Intelligence Summary. (Tab C)

-- Briefing papers providing more detail on each topic covered in your talking points. (Tab D)

-- Briefing paper on U.S. Security Council Resolution. (Tab E)

2. Department of State's paper addressing agenda items (received at 12:00 noon today). (Tab F)

25X1 3. In addition, I will be bringing to the meeting additional graphics [REDACTED]

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State Department review
completed

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Agenda for Meeting on Indochina-China-USSR

I. Border Tensions

1. Intelligence Summary (updated)

- Chinese and Vietnamese border dispositions
- Changes on Sino-Soviet border
- Situation in Cambodia
- Sino-Vietnamese propaganda and border incidents
- possible Chinese and Vietnamese options

2. Diplomatic Actions Taken to Date (updated)

- Original Security Council action
- Follow-up at the UN and in capitals on UN action and aid
- Demarches to USSR, PRC and SRV
- Consultation with Japan and others on Sino-Viet tension

3. Congressional Consultation and Reaction (updated)

4. Public Posture (updated)

5. Possible Military Deployments or changes by USG

6. Implications for Deng Xiaoping Visit

7. Implications for Kriangsak Visit

8. U.S. Policy in event of Chinese military action

II. Planning for Deng Visit

1. Discussion of Scope Paper

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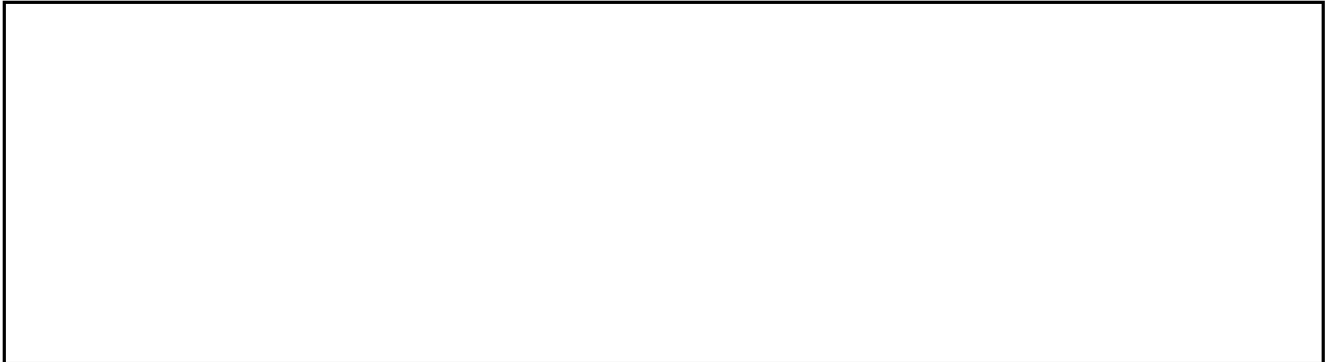
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Talking Points

I. Intelligence Summary

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A. Chinese and Vietnamese border dispositions



-- China can strike along a wide front but we believe it more likely will concentrate on the northeast because of more advantageous terrain.

B. Changes on Sino-Soviet border



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C. Situation in Kampuchea

-- Vietnamese holding towns but encountering increasing Kampuchean resistance in countryside, esp. in NE, S, and SW Kampuchea.



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D. Sino-Vietnamese propaganda and border incidents

-- Both sides accusing the other of border encroachments, [redacted]

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-- Chinese privately speaking of need for swift, major strike.

-- Chinese established rationale for border strike at time and place of their choice.

E. Possible Chinese and Vietnamese options

-- Chinese can lower tension, continue buildup while avoiding action, or undertake punitive action similar to 1962 India war. Only last course would respond to Chinese humiliation at hands of Vietnamese.

-- Hanoi keeping head down; may count on limited Chinese attack and afterwards launch propaganda campaign against Chinese "aggression".

II. Implications for Deng Visit

-- A Chinese attack before or during the visit erodes Congressional support for normalization.

-- An attack at any time suggests to Moscow Sino-US collusion.

-- If the attack has not occurred Deng will want to gauge US reaction to a move at a later date.

III. Implications for Kriangsak Visit

-- Kriangsak is going to be nervous about the Vietnamese threat and the on-going refugee problem; he is going to want U.S. assurances of support.

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CHINESE-VIETNAMESE BORDER DEPLOYMENTS

- I. The military balance along the Sino-Vietnamese border now favors China. Vietnam has improved its defenses, but its forces are no match for the Chinese

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- C. China has the capability to attack Vietnam along a wide front, but we believe it will concentrate on the northeast where the terrain is more suitable for the movement of heavy equipment.

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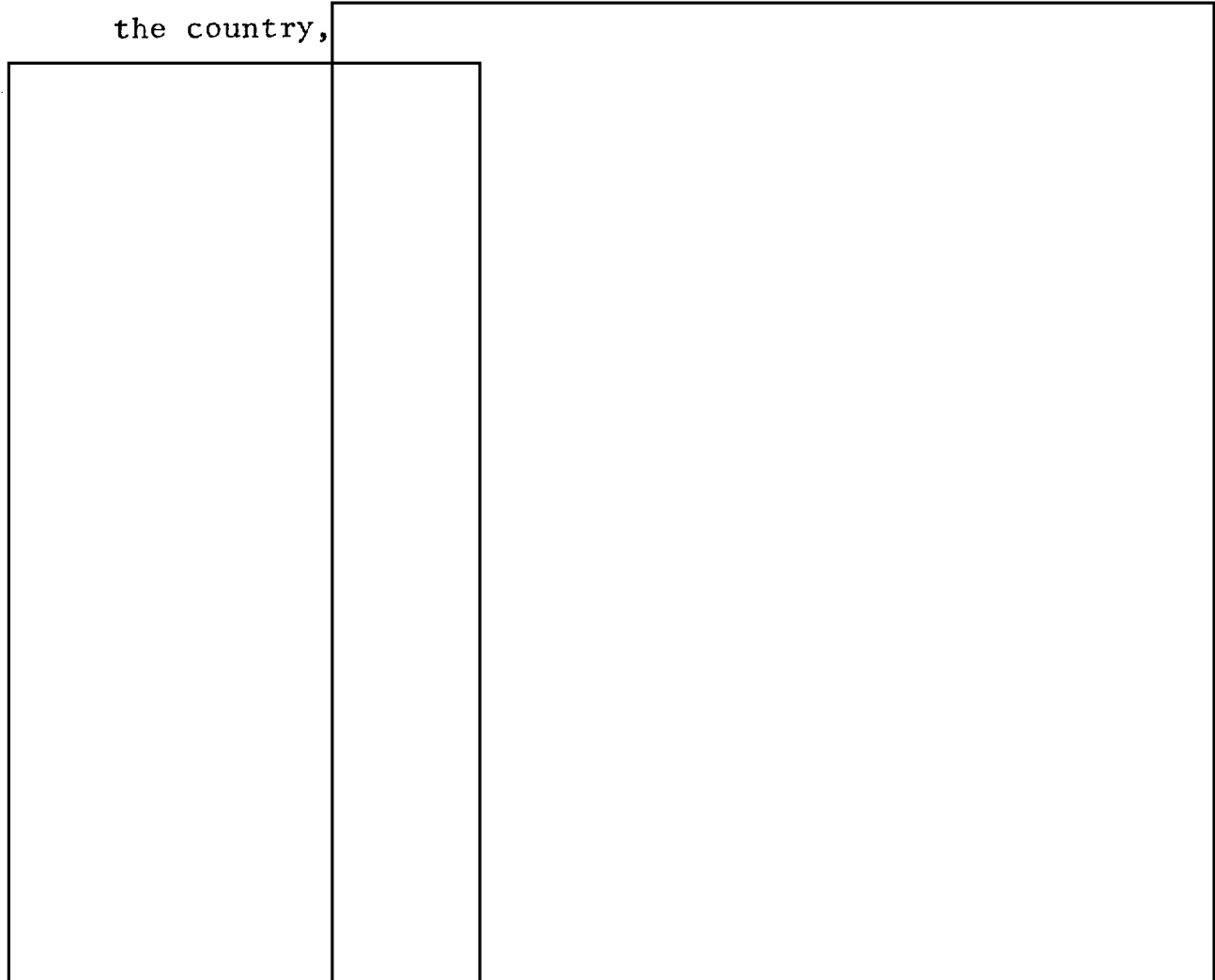
CURRENT SITUATION IN KAMPUCHEA

- I. The Vietnamese are having difficulty consolidating their control over the Kampuchean countryside. Vietnamese columns have moved into virtually every city or town but have not yet been able to track down and destroy the Kampuchean forces that fled during the initial invasion.

- A. Kampuchean resistance has spread to all sectors of the country,

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Sino-Vietnamese Propaganda and Border Incidents

Chinese media continue to pour out anti-Vietnamese propaganda. The key indicators of tension -- protest notes and reports of incidents -- are frequent but essentially unchanged since China issued a stern warning on 25 December. [REDACTED]

A. Border incidents continue to occur. The propaganda suggests that Chinese are patrolling somewhat more aggressively, although not yet with regular army units. [REDACTED]

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B. Chinese and Vietnamese protests have focused on specific areas along the border, most notably a 300 meter stretch of railline south of Pingxiang (Ping-hsiang). [REDACTED]

In private Chinese officials are talking tougher and more uniform terms about the prospects for a "swift and major" military strike along the Vietnam-China border.

[REDACTED]

In comments apparently designed to reach the US that appear to reflect recent guidance, one official noted that such a strike would assist in deterring Vietnam from extending its influence to other neighboring

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countries and might ease Vietnamese pressure on Pol Pot's forces in Kampuchea. The same official had previously described Chinese military activity along the Vietnamese border as purely defensive and had said that China was restrained by the possibility of Soviet retaliation.

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Peking, however, continues to link China's actions with Vietnam's "encroachments" on Chinese territory. Thus, the Chinese are continuing to develop a rationale for a border strike while maintaining the option to take action at a time and place of their choosing.



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CHINESE AND VIETNAMESE OPTIONS

China thus far has kept open its options for dealing with the Vietnamese. [REDACTED]

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- a. Beijing could still move to lower tensions along the border. This would reduce risks of escalation but would not "punish" Vietnam for its invasion of Kampuchea and indirect humiliation of China. [REDACTED]

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- b. Beijing could also simply sustain current tensions, maintain or further develop its buildup, while avoiding any cross-border action. This could be rationalized as tying down Vietnamese forces that could be committed to Kampuchea. [REDACTED]

- c. We continue, to believe, however, that some form of direct action against Vietnam to be the most likely Chinese course. Chinese officials are now specifically refferring to China's punitives strike into India in 1962 as the likely manner in which Vietnam will be "taught a lesson." [REDACTED]

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At this point Hanoi, committed heavily in Kampuchea, appears intent on keeping its own head down in order not to give China any pretext for military action. Hanoi may be counting on any Chinese attack being limited in scope and duration. In that case, the Vietnamese may not offer

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strong resistance, preferring to claim after the fact that they drove the Chinese out and attempting to score what propaganda they can by pointing to Chinese aggression.

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IMPLICATIONS FOR DENG XIAOPING VISIT

25X1A The present Sino-Vietnamese confrontation and the chance of direct Chinese military action against Vietnam in the immediate period surrounding Vice Premier Deng's visit poses some significant political problems for the US. On the domestic front, aggressive Chinese military action could work to undermine support in Congress for US-PRC normalization arrangements. A Chinese military blow against Vietnam would lead to a rapid escalation of Sino-Soviet tensions and conceivably to conflict along the Sino-Soviet frontier--developments that would seriously complicate our bilateral relationships with both Moscow and Peking. In this regard, Moscow would view Chinese action taken during or immediately adjacent to Deng's discussions in Washington as evidence of tacit US endorsement.

25X1 Beijing is clearly aware of these considerations and must carefully weigh the risks of putting such strain on their newly-won relationship with Washington. Although we are in no position to rule out an earlier Chinese move, this suggests that the Chinese will delay any military action at least until after Deng's visit.

latest example of the expansion of Soviet power and will link a strong Chinese posture against Vietnam with the need for a tough US stance against the Soviet Union in other regions and forums. Deng will also be interested in gauging, at least indirectly, the firmness of the US position regarding a possible demonstration of Chinese military power against Vietnam and the possible reaction of the US to Soviet moves against China in that event.

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UN SECURITY COUNCIL RESOLUTION

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In response to the Vietnamese invasion of Kampuchea,

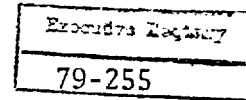
the UN Security Council on 15 January voted 13-2 in favor of a ceasefire, the withdrawal of "foreign forces," and strict adherence to the principle of non-interference in the internal affairs of other states. The resolution, sponsored by six non-aligned states, was milder and less polemical than an earlier Chinese proposal. Prince Sihanouk's strong indictment of Hanoi and his personal standing in the non-aligned movement sparked broad support, and it was opposed by only the Soviet Union and Czechoslovakia. The negative Soviet vote constituted a veto, but the resolutions's supporters considered the outcome of the vote a clear victory. Reluctance to pursue the issue in the General Assembly stemmed from recognition that only a weaker and less decisive resolution could be passed there.

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DEPARTMENT OF STATE

Washington, D.C. 20520



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January 25, 1979



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SUBJECT: Meeting on Indochina-China-USSR, January
25, 4:30 p.m., Department of State

Background papers for the Director of Central
Intelligence on the Agenda Items for the subject
meeting are attached.

Peter Tarnoff
Executive Secretary

Attachments:

Background papers.

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Agenda for Meeting on Indochina-China-USSR

1. Intelligence Summary (updated)
 - Situation in Kampuchea
 - Sino-Vietnamese propaganda over Border
 - Chinese Border Dispositions
 - Vietnamese Border Dispositions
 - Sino-Soviet Border Update
 - Chinese options
 - Vietnamese options
 - Soviet options
2. Diplomatic Actions Taken to Date (Updated)
 - Original Security Council action
 - Follow-up at the UN and in capitals on UN action and aid
 - Demarches to USSR, PRC and SRV
 - Consultation with Japan and others on Sino-Soviet tension
3. Congressional Consultation and Reaction (Updated)
4. Public Posture (updated)
5. Possible Military Deployments or changes by USG
6. Implications for Deng Xiaoping Visit
7. Implications for Kriangsak Visit
8. U.S. Policy towards Chinese military action

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1. Intelligence Summary

A. Situation in Kampuchea

Vietnam has accomplished its basic political and military objectives in Kampuchea: imposition of a subservient Kampuchean regime; military occupation of most of the country.

Nevertheless, armed forces loyal to former Prime Minister Pol Pot, are carrying on guerrilla resistance throughout the country with up to 50,000 troops widely dispersed, often cut off and difficult to resupply but still capable of conducting spoiling actions and almost impossible to eradicate completely.

Vietnam, with over 100,000 troops, uncontested control of the urban areas, airfields, ports, and roads plus ease of resupply has the clear advantage. Vietnamese forces are fanning out into the countryside to search out and destroy Kampuchean resistance. Peking is likely to renew efforts to persuade Thailand to permit overland transit of Chinese aid to Pol Pot forces.

Vietnam is moving rapidly to "legitimize" a close relationship with the Kampuchean regime it has installed. Pham Van Dong is scheduled to visit Phnom Penh soon and will probably conclude various economic, political and military agreements, analagous to those with Laos, designed in part to provide the "legal basis" for a longstanding Vietnamese military presence in Kampuchea, possibly at its current level.

B. Sino-Vietnamese Propaganda Over Alleged Border Incident

Since the end of December Peking and Hanoi have increased propaganda attacks on one another. Each side has demanded "an immediate stop" to provocations and encroachments, and said that the other "must bear responsibility for all consequences" arising from its activities. Vietnam's diplomatic notes to the PRC referred to hopes of friendship with China despite Chinese activity, while China has omitted any reference to a hope for friendship with Vietnam in its notes to the SRV.

Peking's propaganda has been harsher than Vietnam's. A People's Daily article December 24 said "China will not

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attack unless it is attacked" but there is a limit to the Chinese people's forbearance" and Vietnam should not "complain later that we've not given you a clear warning in advance." And on January 8, the People's Daily said: "We want to warn the Vietnamese authorities: Gone are the days when China could be trampled upon at will. No matter how strong your behind-the-scenes boss is, you will not be able to encroach upon China's territory. Otherwise, you will certainly receive your due punishment."

C. Chinese Border Dispositions

A major military buildup has been underway since mid-December in the two military regions (MR) Kunming and Guangzhou (Canton), north and east of the Vietnam border. Both regions are now under the command of senior, combat experienced officers. Combat units of at least four Chinese armies in these military regions have been moved toward the Vietnamese border. We do not know what proportion of their total personnel complement of between 120,000 and 150,000 have moved. Similarly, we do not know the exact disposition of Chinese forces in the Vietnamese border area, but approximately 11,000 men are believed to be based in the northwest within 50 miles of the border along the rail line leading from the Chinese city of Kunming to Hanoi and another 11,000 men are believed to be in the east within 100 miles of the border along the rail line leading from Guangzhou (Canton) to Hanoi. Possibly several times this number are already in the border area. We know that transportation of military material and personnel has disrupted rail traffic throughout east China, and may have caused a total ban on non-military traffic as of January 20.

The massive air redeployment observed between January 16-19 has slowed down, but additional augmentation of air strength appears to be still going on. In all, a total of 146 high performance aircraft including at least 37 F-9's, China's best ground support fighter bomber, and 28 MiG 21's, China's highest performance fighter, are in the border area. This constitutes at least a third, and probably closer to one half, of China's entire inventory of MiG 21's.

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China has also markedly increased its early warning radars since mid-December. There are 22 new sites in the Grangzhou and Kunming MRs most of them within thirty miles of the Vietnam border.

PRC naval activity in South China remains at near normal levels, but there is evidence of an increased state of readiness and of increased naval air patrolling.

D. Vietnamese Border Dispositions

In the provinces adjacent to the border, Vietnam has at least two economic construction divisions, one possible infantry division, and considerable numbers of border and regional forces. It is almost impossible to estimate Vietnamese troop strength in the border area. But at a minimum there should be in excess of 100,000 lightly armed troops serving as the front line of defense. Numerous defense works and artillery positions have also been established near the border since mid-1978, but overall Vietnam is not in a good position to defend its border against a determined Chinese attack.

Protecting the immediate Hanoi-Haiphong area are four main force infantry divisions (approximately 30,000-40,000 troops), several brigades, regional forces, and other economic construction and training divisions. Five major air bases, well-protected by AAA and SAM sites, ring Hanoi. There are probably close to 200 Soviet-made fighter aircraft positioned at these airfields (compared to nearly 300 fighter aircraft and medium size bombers now positioned at Chinese airbases near the border).

Vietnamese ground, air, and air defense forces are on full alert and would put up stiff resistance to any Chinese attack. If Chinese ground and air forces which could be deployed from southern China struck deep into the Red River Delta, Chinese advantages in troop strength and firepower could overwhelm the Vietnamese defences and enable the Chinese to penetrate perhaps even as far as Hanoi.

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E. Sino-Soviet Border Update

Codeword material will be made available at the meeting.

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F. Chinese Options

In considering its options, China may be motivated by a determination to punish Vietnam for alleged border provocations and for its aggression against Kampuchea; to force a redeployment of Vietnam's forces from Kampuchea; and to show the world that China will stand up to Soviet "expansionism" and "hegemony." Moreover, evident leadership differences in Peking could result in a harder stance towards Vietnam than would appear to be prudent. Whichever option is pursued, China will have to weigh the risk of Soviet military reaction.

- China could continue its air and ground build up but stop short of major military activity.
- Using the pretext of Vietnamese provocation for which China has already laid the groundwork, Beijing could attack and hold territory in the border area, --as it did in India in 1962--with the forces already assembled. China might destroy military installations and personnel in the vicinity but not advance more than several kilometers into Vietnamese territory.
- China could use its air and ground power assembled along the border to mount a deeper punitive attack from the northwest and northeast. The objective might be the air fields and associated aircraft in the vicinity of Hanoi as well as the main force divisions which defend Hanoi. The drive might be followed by a relatively rapid withdrawal.
- The worst case scenario would be a two pronged attack on Hanoi in which the primary objective could be the central government itself and the Vietnamese military headquarters. This would severely disrupt the command and communications links between the High Command in Hanoi and subordinate units throughout Vietnam, Kampuchea, and Laos.

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G. Vietnamese Options

- Hanoi may calculate that Beijing's build up is designed to force some redeployment of main force units from Kampuchea to cope with the Chinese threat. For this reason, and because Hanoi's forces are heavily committed elsewhere, in response to a limited Chinese attack confined to the border area Hanoi will likely rely on regional forces, and border militia.
- If the Chinese attack in force and penetrate well beyond the border area and threaten Hanoi, Vietnam will probably allow the Chinese to advance. Ground and air forces already in the Red River Delta would attempt to blunt the Chinese drive. Only if the Chinese military action were protracted would Vietnam redeploy military units from further south or from Kampuchea.
- Whatever military action China may take, Hanoi will almost certainly invoke Article Six of the Soviet-Vietnamese Treaty calling for consultations if Vietnam's security is threatened.

H. Soviet Options

In the absence of Chinese military action against Vietnam, Moscow's interests would seem to be best served by doing nothing, i.e., maintaining a non-provocative stance on the Sino-Soviet border and exploiting politically and in propaganda Peking's setback in Kampuchea.

Minor Chinese military action against Vietnam that did not endanger Hanoi and that was ineffective in helping the Pol Pot forces, i.e., would not cause the Vietnamese to redeploy troops from Kampuchea, would probably result in low-keyed responses. Moscow would likely confine itself to non-hostile military moves--calling for consultations under the new treaty--a conspicuous air or sea supply of military equipment, maneuvers or alerts on the Sino-Soviet border, and a possible naval port call at Cam Ranh Bay, Danang or Haiphong. Moscow would also exploit Chinese "aggression"

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to the maximum diplomatically (e.g. in its warnings against Western arms sales to China). The possibility of trans-border operations by small Soviet units cannot be excluded.

Major Chinese action against Vietnam would require a more substantial Soviet counter-move. This could even take the form of "punitive" strikes across the Sino-Soviet border or naval bombardment of Chinese-held South China Sea islands. In the former case, Moscow may prefer to strike against Xinjiang (Sinkiang) as the Chinese apparently expect. This could be done in the guise of supporting local minority dissidents and might be preferred to a strike against Manchuria, because of the latter's proximity to sensitive Soviet installations.

In any event, the Soviets are unlikely to move against China unless it first attacks Vietnam and then Soviet reaction will be measured.

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2. Diplomatic Actions Taken to Date

A. Original Security Council Action

The Security Council's 13-2 vote demonstrated international solidarity and Soviet isolation on the principle of territorial integrity and put the U.S. in support of the non-aligned rather than choosing sides in intra-communist struggles.

B. Follow-up on UN Action and AID

We have been actively pressing some twenty countries, at the UN and in capitals, trying to stimulate Security Council or General Assembly action to follow up on the Security Council vote. While there exists some sentiment among the ASEANs and other non-aligned states for pursuing the issue further, no governments are yet ready actually to ask for a meeting. Our efforts are being intensified.

On aid, we have approached all major donors of bilateral aid and leading members of the non-aligned world to build support for a possible freeze on future bilateral and multilateral development assistance to Vietnam. A number of governments have indicated they will suspend or reduce future aid (e.g., Japan, Denmark, Belgium and Britain). Others, including the EC and Sweden, are reviewing the issue and should make decisions soon. We have informed the PRC of these results.

C. Demarche to USSR, PRC, and SRV

We have twice urged Chinese restraint in discussions here with Ambassador Chai. In Peking USLO has also raised our concern about a widening of the conflict. We have told the Chinese that there are alternatives to military action (e.g., aid squeeze, UN action) which can be used to keep pressure on the Vietnamese and the USSR while maintaining broad international support for the PRC. Under these conditions, the U.S. can continue to support and work closely with the PRC. Chinese military action would tend to reverse international sentiment, cast doubt upon the stabilizing effects of US-PRC normalization and seriously undercut the benefits we see from Deng's trip to the U.S. Chai told us that the PRC is keeping its options open, and that in the event of continued provocations, the SRV would have to accept the consequences.

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In Paris, Bangkok, and New York we approached the Vietnamese and called for Vietnamese withdrawal. The Vietnamese responded formally, blaming Peking for the escalation of tensions. We have gone back to them stating that we consider Vietnam's invasion the direct cause of area tensions, again urging their withdrawal, and stating our support for a genuinely independent Kampuchea.

We initially asked the Soviets to urge Vietnamese restraint. They offered a formal response that there were no Vietnamese troops in Cambodia. We took Dobrynin to task for this evasion and emphasized the concerns about spillover incidents in Thailand. As indications of possible Chinese action grew we expressed concern to Dobrynin's deputy, and again to Dobrynin himself, about the possible widening of the fighting. The Soviets expressed confidence that Thailand has nothing to worry about and ventured the opinion that China would not move against Vietnam. They did point out, however, that they would anticipate consultations with Hanoi under the Soviet-Vietnamese treaty if China should take action against the SRV. (This could lead to direct Soviet military support of Vietnam.)

D. Consultation with Japan and Others on Sino-Vietnamese Tensions

We have informed our major western allies and Tokyo of our concern about the PRC military buildup and asked them to approach Peking to urge the Chinese to exercise restraint on the Sino-Vietnamese border. We are attempting to stimulate ASEAN and other non-aligned leaders (Yugoslavia, Sri Lanka, Bangladesh, Jamaica) into taking the lead at the UN and in non-aligned circles to keep the pressure on Vietnam and thus perhaps lessen the possibility of direct Chinese military action.

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3. Congressional Consultation and Reaction

We have informed key Congressional leaders of the Chinese military buildup and our efforts to forestall any action by a combination of demarches to the PRC, SRV and USSR plus efforts at the UN and approaches to our close allies. Some Members may also be aware of the detailed situation from the press. To date we have had little expression of concern and almost no inquiries from the Hill as to the situation on the ground. However, in our conversations with those who know the situation (e.g. Senator Nunn's group, Senator Church) they anticipate that a major escalation of hostility on the Chinese/Vietnamese border, which appears to have been provoked at least in part by China, would seriously erode receptivity towards normalization and our China legislation. It was generally believed that a major Chinese military initiative was likely to increase support for maintenance in some form the U.S. ROC mutual defense treaty.

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4. Public Posture

We have expressed our belief that the Vietnamese invasion of Kampuchea violates the principles of territorial integrity and of the inviolability of frontiers and raises the danger of a wider war. While continuing to condemn the human rights policies of the Pol Pot regime in Kampuchea, we have stressed that the internal policies of one country do not justify the external aggression of another. We have made public our approaches to the USSR, Vietnam and China urging restraint, and our support for Thailand. We have indicated publicly that there is a Chinese buildup, which causes concern, but avoided specifics and projected an image of calm rather than panic.

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5. POSSIBLE MILITARY DEPLOYMENTS OR CHANGES BY USG

Our principal objective is to reduce the scope, intensity and duration of any Sino-Viet conflict. Our military activities must thus be carefully coordinated with our diplomatic initiatives, and tailored to our estimate of the changing situation.

For the present we do not wish to take actions which would heighten tensions, e.g., increase in DEFCON, redeployments, or ad hoc exercises. However, there may be a need for changes in reconnaissance activities.

In the event that the PRC should opt for military action against Vietnam, with or without an early Soviet response, we will need to consider whether or not there are certain military actions which we should take as a signal of U.S. concern, or to position ourselves should Chinese actions result in a much more serious situation. An inter-agency study of possible U.S. options could usefully be undertaken on an urgent basis, keyed to Chinese and Soviet options. Of special concern would be the deployment of Soviet ships, personnel or aircraft to Vietnam, as well as a direct Soviet military confrontation with China.

6. Implications for Deng Visit

Chinese invasion of Vietnam will weaken some arguments we are using for normalization: (a) it enhances the peace and stability of the Asia-Pacific area; (b) Chinese stress on internal modernization programs, etc., makes attack on Taiwan unlikely for the foreseeable future (i.e. if the Chinese attack Vietnam, why shouldn't they be prepared soon to be equally belligerent toward Taiwan?)

Without an invasion we expect Vietnam will be a major topic in the President's meeting with Teng. Chinese build-up on the border, whether or not the PRC acts against Vietnam before or during the visit, will make it all the more urgent that the talks focus on this issue. Pre-visit press attention to the border buildup also will require Deng, in his appearances on the Hill and in other public fora, to explain the PRC's Vietnam action. We hope he will also make a clear distinction between Vietnam and Taiwan. The tense situation may also require the President to adjust his public remarks -- welcome statement, White House dinner, JFK Center -- to avoid too close an identification with Chinese action against Vietnam.

If a Chinese invasion takes place before or during the visit, we will have to consider adjusting Deng's schedule, particularly the more effusive manifestations of hospitality, to distance ourselves from the Chinese actions. However, we believe little change in this schedule will be practicable or advisable, because: (a) the essential purpose of using Deng's trip to gain support for and weaken opposition to normalization will remain; (b) the domestic pressures on the Administration to permit the trip to proceed as scheduled will remain very high. Furthermore, we will not want to handle the Deng's visit, even in such a changed Asian context, in any manner to give comfort to the Soviets.

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7. Implications for the Kriangsak Visit

Prior the SRV invasion of Kampuchea, the visit of Thai PM Kriangsak was already important as a demonstration of our new relationship with Southeast Asia and ASEAN. Reinforcing that relationship remains important, but we must now also devote more effort to a balanced but firm security support for our friends in SEAsia. Our credibility is important not only for Thailand and ASEAN, but also for a successful process of normalization with China and stability in the Korean peninsula. At the same time, we want to avoid any relapse to earlier eras when the security focus was excessive and dominated other policy interests. We will have to walk a fine line of measured reassurance and response.

Principal Thai security concerns now are how to balance three potential acts of external pressure:

-- SRV military action along the Thai border would impact very negatively on Thai politics even if accidental. Deliberate military action could place the U.S. Manila Pact commitment squarely on the line.

-- The Thai Communist Party based along the Thai-Cambodian border is a modes insurgent threat which could, if taken over by the SRV, become a more serious long-term threat.

-- The PRC desire to support Pol Pot's querillas through Thailand forces upon Kriangsak an agonizing choice between antagonizing the Chinese (whom he views as somewhat supportive) or provoking the Vietnamese (whom he sees as very threatening).

At present, the Vietnamese are being careful not to approach the Thai border and are not yet in a position to dominate the Thai Communist Party. Should Thailand become a base for support to Pol Pot's querillas, the Vietnamese attitude could change. This issue may come up during both Deng's and Kriangsak's visits.

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8. U.S. Policy Towards Chinese Military Action

The policy we have pursued to date has minimized the damage by reassuring Thailand and ASEAN, focussing as much pressure as we could generate upon Vietnam as the cause of new tensions in the area, enabled us to avoid being seen as taking Peking's side in a struggle with Moscow, and offered the PRC an alternative to direct military action. There has been remarkably little Congressional or public concern and criticism. Should the PRC decide that its strategic posture vs. the USSR requires direct military action against Vietnam, this would change radically.

An immediate problem would arise with Congress and the public concerning our normalization policy. An even more serious problem would be posed at home and abroad concerning our posture with respect to the PRC, the USSR, our friends and allies, and the non-aligned. Current uncertainties, tensions and fears would be substantially magnified. And should the USSR respond militarily, the world could face another major conflict unless we and others were somehow able to contain the threat.